

**NEXT LIBERTY
LOAN OPEN TO
PUBLIC OCT. 1**

**Subscriptions to Be Closed
Nov. 1—Amount of Is-
sue Not Given.**

DECISION NOT REACHED

House Bill Fixes Interest Rate at 4 Per Cent., With Taxable Feature

"AD" PLAN IS HELD UP

Fight for Congressional War

ever, will be at 4 per cent., if the terms of the McAdoo bond bill pending in the House are carried out. The McAdoo plan makes the bonds subject to the income tax so far as affected by the surtax on incomes. This would make

Mr. McAdoo recommended that the supertax should affect only incomes above \$5,000. That is, a man having an income of less than \$5,000 would pay

income of less than \$5,000 would pay no tax on his income from the bonds, while the man having an income of more than \$5,000 would have to pay the graduated income on the income received from the bonds.

It is the general expectation that the loan will not be less than \$3,600,000,000, and one estimate has placed it at \$4,000,000,000. There is no official basis for either conjecture.

any of the details until the bond bill has been passed. It was said to-night that the Secretary had made no decision as to the size of the loan.

Concerning a series of page advertisements which have been inserted in Wash-

ington papers by the American Press Association, calling on the Treasury Department to conduct a nationwide paid advertising campaign for the second loan. Secretary McAdoo said that to advertise on a broad and liberal scale without discrimination would require an

appropriation much in excess of what Congress so far has made available. It is said, however, that the question still was receiving the consideration of the Department, as the value of such an advertising campaign was not underestimated.

"As soon as the new law has been passed announcement of the details of the loan will be made," said Secretary McAdoo to-night. "Obviously no subscriptions will be received or can be received to the new loan until the Congress has voted upon the funding measure."

"I earnestly hope that all Liberty Loan committees already existing will perfect their organizations immediately and get themselves in readiness for the next Liberty Loan campaign, and that

Campaign Direction.

"As in the previous loan, the general direction of the campaign in each Federal reserve district will be under the supervision of the Federal reserve bank of that district as the fiscal agent of the Government, and all the Liberty Loan committees are urged to get in

"In the first Liberty Loan campaign the Department did not pay for any ad-

vertising space in newspapers, street cars, billboards or other mediums. Some newspapers voluntarily advertised the loan free of cost to the Government and did street cars, billboards and other advertising agencies. In addition many bankers, investment houses, merchants

and others inspired by same spirit bought advertising space or gave over to the Liberty Loan part of the advertising space for which they had contracted.

"There seems to be an impression that the Treasury Department in the first

Liberty Loan campaign applied for free advertising, or paid for advertising in some papers and not in others. That is entirely erroneous. The Treasury Department did not ask newspaper publisher for free advertising, because I realized that the newspapers' only profitable com-

modity is advertising space, and that there are many papers which are not able to give free advertising, especially in view of the high cost of print paper.

"Newspaper and press association loyally cooperated with the Government

in the first Liberty Loan. News and editorial columns were devoted most generously to the issue. They carried its message into every home and deserve great praise for their service of patriotism. The people of the country want to know the financial needs of

the Government and the details of the issues of bonds. This is news. This information was given to them in the most comprehensive form possible, as the newspapers and press association have the satisfaction of knowing that they contributed immeasurably to the

they contributed immeasurably to the success of the loan. Success could not have been accomplished without their aid and cooperation. I have no doubt that the Government will have the same genuine support from them in the news and editorial columns in connection

Advertising Problem Serious.

cannot be doubted, and if the operation could be governed by the same considerations as those which determine the action of private enterprises it would be much simplified. A private enterprise may advertise in a selected number of mediums most useful for its purpose.

